

# *Meeting Copy*

STATE BUILDING COMMISSION  
EXECUTIVE SUBCOMMITTEE MEETING  
EXECUTIVE CONFERENCE ROOM  
GROUND FLOOR, STATE CAPITOL  
MARCH 22, 2004  
10:30 A.M.

## TENNESSEE BOARD OF REGENTS

### TENNESSEE STATE UNIVERSITY, NASHVILLE, TENNESSEE

- 1) Review of a request for APPROVAL of a REVISION in FUNDING from \$4,500,000.00 to \$14,500,000.00 ( a \$10,000,000.00 increase ) and ACKNOWLEDGMENT of the SOURCE of FUNDING for **Avon Williams Campus Improvements at Tennessee State University** in Nashville, and SELECTION of a DESIGNER to additionally design and supervise the project.

**Revised Estimated Project Cost:**

**\$ 14,500,000.00**

**Source of Funding:**

	Existing	Increase	Revised
01/02 Current Funds – Capital Outlay	900,000.00	0	900,000.00
2001 G. O. Bonds – Capital Outlay	0	10,000,000.00	10,000,000.00
2002 G. O. Bonds – Capital Outlay	3,100,000.00	0	3,100,000.00
2002 G. O. Bonds – Capital Maintenance	500,000.00	0	500,000.00
	4,500,000.00	10,000,000.00	14,500,000.00

**SBC Project No. 166/001-05-01**

Johnson-Johnson-Crabtree is designer for major maintenance needs related to safety and accessibility plus improvements to bolster and broaden the programs and diverse student demographic. This increase will provide complete refurbishment to return the building to its original use as an academic facility for non-traditional students.

### MIDDLE TENNESSEE STATE UNIVERSITY, MURFREESBORO, TENNESSEE

- 1) Review of a request for APPROVAL of a DELIVERY ORDER and ACKNOWLEDGMENT of SOURCE of FUNDING for **Performance Contracting** at Middle Tennessee State University in Murfreesboro, Tennessee.

**Estimated Project Cost:**

**\$ 10,000,000.00**

**Estimated Delivery Order #2 Cost:**

**\$ 6,650,000.00**

**Source of Funding:**

	Existing	Change	Revised
T S S B A (for Delivery Order #1)	2,200,000.00	– 525,000.00	1,675,000.00
T S S B A (for Delivery Order #2)	0	+ 6,650,000.00	6,650,000.00
	2,200,000.00	+ 6,125,000.00	8,325,000.00

**SBC Project No. 166/009-03-00**

SBC has referred to SubCommittee the approval of individual delivery orders and funding. Siemens Building Technologies is the ESCO, and proposes to add on-site power generation equipment, upgrade the co-generation controls, perform HVAC and control improvements in the Boutwell Dramatic Arts building, and install energy savings devices on the vending machines campus-wide. Repayment of TSSBA funds for Performance Contracting is made from the utility budget using savings in energy consumption and system operation that are realized as a result of the Performance Contracting projects.

- 2) Review of a request for APPROVAL of a PROJECT and ACKNOWLEDGMENT of SOURCE of FUNDING for **217 College Heights Demolition** at Middle Tennessee State University in Murfreesboro, Tennessee, with professional services by the regional consultants.

**Estimated Project Cost:**

**\$ 46,000.00**

**Source of Funding:**

Campus Plant Funds

**SBC Project No. 166/009-**

This property is within the University's Master Plan acquisition zone, and was acquired in 2001. The size, age, and condition of the structure indicate that it has reached the end of its useful life and is prohibitively expensive to continue to safely operate. The regional consultants are Hart Freeland Roberts for architecture and I. C. Thomasson Associates for engineering.

### **UNIVERSITY OF MEMPHIS, MEMPHIS, TENNESSEE**

- 1) Review of a request for APPROVAL of a REALLOCATION of FUNDING for **Meeman Biological Field Station Quarters** at the **University of Memphis** in Memphis, and AUTHORIZATION to AWARD a contract to Design Specialties & Construction of Memphis based upon their low base bid received February 25, 2004.

**Estimated Project Cost:**

**\$ 721,000**

**Source of Funding:**

Federal (NSF) Grant	181,291
Gifts (UoM Foundation)	75,000
Campus Auxiliary (Research Reserve)	123,709
Campus Operating (Biology Department)	341,000
	<hr/>
	721,000

**SBC Project No. 166/007-06-02**

This facility will provide short-term housing for 40 researchers and students with laundry, kitchen & dining hall, and meeting space, plus utilities, driveway, and parking. This reallocation moves \$52,480 from movable equipment to construction. The Biology Department will use existing equipment and obtain additional movable equipment over time from sources outside of the project.

## TENNESSEE BOARD OF REGENTS

### LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<b><u>Rutherford County – 0.241 +/- Acres with Improvement – 2006 Ragland Avenue, Murfreesboro, TN – Trans. No. 04-02-008 (LW)</u></b>
Purpose:	Acquisition in Fee of property within Middle Tennessee State University's (MTSU) Master Plan. The improvement on the property will be rented until needed for future expansion.
Source of Funding:	Auxiliary Funds
Estimated Cost:	Fair Market Value
Estimated Value:	\$115,000.00
Owner(s):	Gary Houk
SSC Report:	03-15-04. Referred to Sub-committee with recommendation.

## DEPARTMENT OF MILITARY

### LAND ITEM

Review of a request for REVISED APPROVAL of the following DISPOSAL by EASEMENT at FAIR MARKET VALUE to LESS THAN FAIR MARKET VALUE of interest in real property with WAIVER of ADVERTISEMENT and ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112.

Description:	<b><u>Monroe County – 2.66 +/- Acres – National Guard Armory, Sweetwater, TN – Trans. No. 02-10-023 (CH)</u></b>
Purpose:	Disposal by Permanent Easement for a TVA transmission line across Armory property
Sale Price:	\$45,250.00 – Appraised Value
Grantee:	Tennessee Valley Authority (TVA)
Comment:	<p>On March 24, 2003, Executive Sub-committee approved the sale of an easement to TVA for \$45,250.00 of which the value was from an independent State appraiser. TVA agrees to pay the market price, however, TVA does not agree with the appraised value.</p> <p>TVA had a staff appraisal of \$8,450.00 for the 1.88 acres the TVA was using. With the large difference in value, TVA agreed to pay \$20,000.00 for the easement. Real Property Management had the State appraisal re-evaluated and the re-evaluation was determined to be \$26,000.00.</p> <p>Therefore, Real Property Management recommends the State accept the TVA offer of \$20,000.00 to avoid potential legal action against the State.</p>
SSC Report:	03-15-04. Jurgen Bailey summarized the transaction. He stated. The agency advised agreement with the request. Staff referred to Sub-committee with recommendation.

## DEPARTMENT OF AGRICULTURE

### LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description:	<b><u>Scott and Morgan Counties – 775.0 +/- Acres – Trans. No. 04-02-009 (CH)</u></b>
Purpose:	Acquisition in Fee of Ray-Gettelfinger property adjacent to the Big South Fork Recreation Area for wildlife management purposes and as part of the Forest Legacy Program.
Source of Funding:	Federal Funds – Forest Legacy Program
Estimated Cost:	Fair Market Value
Estimated Value:	\$1,000,000.00
Owner(s):	Messers Ray and Gettelfinger
Comment:	Property will be deeded to the Tennessee Wildlife Resources Agency (TWRA).
SSC Report:	03-15-04. Jurgen Bailey summarized the transaction and advised there are no state funds in the transaction. Lou Boervoets, agency representative, advised the project is on the priority list and that the property is subject to being developed. Staff referred to Sub-committee with recommendation.

## DEPARTMENT OF SAFETY

### LAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE IMPROVEMENTS, required interest in the following real property, not to exceed the appraised value for the property being acquired and APPROVAL to Enter into a LAND LEASE:

Description:	<b><u>Giles County – 1.6 +/- Acres – Bledsoe Road, Pulaski, TN – Trans. No. 04-02-012 (GM)</u></b>
Purpose:	Acquire a long-term land lease and purchase of the improvements. The Tennessee Valley Authority (TVA) has abandoned the existing site and the Department desires to take control of the site. The site is in conjunction with the new 700/MHZ Radio Project.
Source of Funding:	Federal Funds – MCSAP Grant
Estimated Cost:	Fair Market Value
Estimated Value:	\$500.00 Per month – 5 Year Term – Land Lease \$10,000 Maximum – Improvements (Tower and metal building)
Owner(s):	Wanda Blumenthal
SSC Report:	03-15-04. Jurgen Bailey summarized the transaction. Agency representative stated the improvements are in excellent condition and meets the requirements of the project. Staff referred to Sub-committee with recommendation.

## ALCOHOLIC BEVERAGE COMMISSION

### LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE EXTENSION for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: **Madison County – 566 Carriage House Drive, Jackson, TN – Tans. No. 03-11-905 (TH)**

Purpose: To provide office and related space pending relocation to the new State Office Building.

Term: July 1, 2004 thru June 30, 2006 (2 yrs.)

Proposed Amount: 1,439 Square Feet

Annual Contract Rent:	\$12,600.00	@ \$ 8.75/sf
Est. Annual Utility Cost:	\$ 2,014.60	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 1,582.90</u>	<u>@ \$ 1.10/sf</u>
Total Annual Effective Cost:	\$16,197.50	@ \$11.25/sf

Current Amount: 1,439 Square Feet

Annual Contract Rent:	\$11,400.00	@ \$ 7.92/sf
Est. Annual Utility Cost:	\$ 2,014.60	@ \$ 1.40/sf
Est. Annual Janitorial Cost:	<u>\$ 1,582.90</u>	<u>@ \$ 1.10/sf</u>
Total Annual Effective Cost:	\$14,997.50	@ \$10.42/sf

Type: New Lease – Negotiated

FRF Rate: \$13.50 Per Square Foot

Purchase Option: No

Lessor: Young Kim, d/b/a Kim Center

SSC Report: 03-15-04. Bob King summarized the transaction. He advised it is estimated the agency will relocate to the new State Office Building approximately September 2005. He stated this request for approval of the lease extension is pursuant to TCA 12-2-114(b)(4). Staff referred to Sub-committee with recommendation.



## DEPARTMENT OF CHILDREN'S SERVICES

### LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE EXTENSION for the rental of real property and WAIVER of ADVERTISEMENT as required by TCA 12-2-115:

Location: **Madison County – 33 Old Hickory Boulevard, Jackson, TN – Trans. No. 03-11-907 (EN)**

Purpose: To provide office and related space for continued operations pending renovation of the Lowell Thomas State Office Building. The agency will relocate to State space during the Extension Period.

Term: July 1, 2004 thru June 30, June 30, 2007 (3 yrs.)

Proposed Amount: 24,985 Square Feet  
Annual Contract Rent Including  
Utility Cost: \$256,096.32 @\$ 10.25/sf  
Est. Annual Janitorial Cost: \$ 27,483.50 @\$ 1.10/sf  
Total Annual Effective Cost: \$283,579.82 @\$11.35/sf

Current Amount: 24,985 Square Feet  
Annual Contract Rent Including  
Utility Cost: \$227,400.00 @\$ 9.10/sf  
Est. Annual Janitorial Cost: \$ 27,483.50 @\$ 1.10/sf  
Total Annual Effective Cost: \$254,883.50 @\$10.20/sf

Type: Lease Extension – Negotiated

FRF Rate: \$13.50 Per Square Foot

Purchase Option: No

Lessor: Delta Office Building, LLC

Comment: The proposed Lease Extension provides (1) no cancellation during the first 18 months of the extension period except for cause and/or lack of funding and 60 days thereafter.

SSC Report: 03-15-04. Bob King summarized the transaction. He advised it is estimated the agency will relocate to the renovated Lowell Thomas State Office Building in 2006. He stated this request for approval of the lease extension is pursuant to TCA 12-2-114(b)(4). Staff referred to Sub-committee with recommendation.

## DEPARTMENT OF HUMAN SERVICES

### LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and One (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: **Shelby County – 1.44 +/- Acres with Improvements – Clovernook Rehabilitation Facility, 346 St Paul Avenue, Memphis, TN – Trans. No. 04-02-013 (CH)**

Purpose: Disposal in Fee by Gift to the non-profit organization currently operating the facility pursuant to TCA 71-1-104. This transfer will relieve the State of major repair and maintenance expenditures. The conveyance will contain a reversion clause if the facility ceases to operate as a workshop/rehabilitation facility.

Original Cost to State:\$6,500.00

Date of Original  
Conveyance: 1943

Grantor Unto State: Memphis Board of Education

Estimated Sale  
Price: Gift

Estimated Value: \$527,500.00

Grantee: Clovernook Center for the Blind

Comment: If the facility ceases to operate as a workshop/rehabilitation facility, the property will revert to the State or the State will receive \$527,500.00 for the facility.

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction. Carl Brown, Assistant Commissioner, stated that the current arrangement requires that the State is responsible for all repair and maintenance of the facility and that funding for that purpose has been exhausted. Staff referred to Sub-committee with recommendation.

## DEPARTMENT OF HUMAN SERVICES

### LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and One (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: **Davidson County – 1.080 +/- Acres with Improvements – Ed Lindsey Industries, 4110 Charlotte Avenue, Nashville, TN – Trans. No. 04-02-014 (CH)**

Purpose: Disposal in Fee by Gift to the non-profit organization currently operating the facility pursuant to TCA 71-1-104. This transfer will relieve the State of major repair and maintenance expenditures. The conveyance will contain a reversion clause if the facility ceases to operate as a workshop/rehabilitation facility.

Original Cost to State:\$11,000.00

Date of Original  
Conveyance: 1921

Grantor Unto State: Mimmie K. Davis

Estimated Sale  
Price: Gift

Estimated Value: \$625,000.00

Grantee: Ed Lindsey Industries for the Blind Inc.

Comment: If the facility ceases to operate as a workshop/rehabilitation facility, the property will revert to the State or the State will receive \$625,000.00 for the facility.

SSC Report: 03-15-04. Jurgen Bailey summarized the transaction. Carl Brown, Assistant Commissioner, stated that the current arrangement requires that the State is responsible for all repair and maintenance of the facility and that funding for that purpose has been exhausted. Staff referred to Sub-committee with recommendation.

## STATE BUILDING COMMISSION

### **MINUTES OF STATE BUILDING COMMISSION EXECUTIVE SUBCOMMITTEE MEETING**

- 1) READING and APPROVAL of the Minutes of the State Building Commission Executive Subcommittee meeting held on February 23, 2004.

## CONSENT AGENDA

Review of a request for APPROVAL of the FOLLOWING REAL PROPERTY TRANSACTIONS that have been reviewed and recommended for approval by Sub-committee staff:

- A. Agency: **University of Tennessee – Hamilton County**  
Transaction: Disposal by Permanent Easement with Right-of-Entry  
Provision: Waiver of Advertisement and Appraisals
- B. Agency: **University of Tennessee – Hamilton County**  
Transaction: Disposal in Fee  
Provision: Waiver of Advertisement and Appraisals
- C. Agency: **University of Tennessee – Blount County**  
Transaction: Disposal by Easement  
Provision: Waiver of Advertisement and Appraisals
- D. Agency: **Tennessee Board of Regents – Rutherford County**  
Transaction: Acquisition in Fee
- E. Agency: **TN Wildlife Resources Agency – Blount County**  
Transaction: Disposal by Easement  
Provision: Waiver of Advertisement and Appraisals
- F. Agency: **Department of Transportation – Shelby County**  
Transaction: Disposal in Fee  
Provision: Waiver of Advertisement and One Appraisal
- G. Agency: **Finance & Administration – Davidson County**  
Transaction: Lease Amendment

UNIVERSITY OF TENNESSEELAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by PERMANENT EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS and with APPROVAL of a RIGHT-OF-ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: **Hamilton County – 0.37 +/- Acres - Permanent Easement – University of Tennessee at Chattanooga – Trans. No. 04-02-017 (GM)**

Purpose: Disposal by Permanent Easement to provide for a Greenway across the University's campus. The Greenway will join the new elementary school to the south of the campus and connect to the existing Riverwalk to the north.

Estimated Sale Price: Grant – Mutual Benefit

Grantee: City of Chattanooga

Comment: The Greenway will mutually benefit students, faculty and citizens of Chattanooga.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

UNIVERSITY OF TENNESSEELAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS as required by TCA 4-15-102 and 12-2-112:

Description: **Hamilton County – 225 +/- Square Feet – Mabel Street and Fourth Street, Chattanooga, TN – Trans. No.04-02-020 (GM)**

Purpose: Disposal in Fee to allow placement of a new control box and traffic light by the City of Chattanooga.

Original Cost to State: Unknown

Date of Original  
Conveyance: July 1983

Grantor Unto State: Unknown

Estimated Sale  
Price: Grant – Mutual and Public Benefit

Grantee: City of Chattanooga

Comment: The traffic light will mutually benefit students, faculty and citizens of Chattanooga.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

UNIVERSITY OF TENNESSEELAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by PERMANENT EASEMENT and TEMPORARY CONSTRUCTION EASEMENT interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS and APPROVAL of a RIGHT-OF-ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: **Blount County – 0.08 +/- Acres - Permanent Easement and Temporary Construction Easement – Knoxville Experiment Station, Blount Unit, Alcoa, TN – Trans. No.04-02-018 (LW)**

Purpose: Disposal of a 20 ft. by 191 ft. Permanent Easement and a 10 ft. by 191 ft. Temporary Construction Easement for extension of a 12 inch water line to the Knox Chapman Utility District.

Estimated Sale Price: Grant – Mutual and Public Benefit

Grantee: City of Alcoa

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.



TENNESSEE BOARD OF REGENTSLAND ITEM

Review of a request for APPROVAL to OBTAIN TITLE WORK, APPRAISAL, SURVEY and EXERCISE OPTION to ACQUIRE or ACCEPT as GIFT, required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Rutherford County – 0.299 +/- Acres with Improvement – 211 College Heights, Murfreesboro, TN – Trans. No. 04-02-010 (LW)**

Purpose: Acquisition in Fee of property within Middle Tennessee State University's (MTSU) Master Plan. The improvement on the property will be rented until needed for future expansion.

Source of Funding: Auxiliary Funds

Estimated Cost: Fair Market Value

Estimated Value: \$117,000.00

Owner(s): Mildred Graves

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

TENNESSEE WILDLIFE RESOURCES AGENCYLAND ITEM

Review of a request for APPROVAL of the following DISPOSAL by EASEMENT of interest in real property with WAIVER of ADVERTISEMENT and APPRAISALS and APPROVAL of a RIGHT-OF-ENTRY as required by TCA 4-15-102 and 12-2-112.

Description: **Blount County – Right-of-Way Access Easement – Foothills Wildlife Management Area – Trans. No. 04-03-001 (CH)**

Purpose: Disposal by Easement to provide access to four lots located within the boundaries of the WMA.

Estimated Sale Price: Grant – Adjoining Property Owner

Grantee: Leesa Haire

Comment: The subject property was acquired through a gift and right to access were never located through a legal description. The proposed access easement would formally describe the easement for recording purposes.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

DEPARTMENT OF TRANSPORTATION

LAND ITEM

Review of a request for APPROVAL of the following DISPOSAL of interest in real property with WAIVER of ADVERTISEMENT AND ONE (1) APPRAISAL as required by TCA 4-15-102 and 12-2-112:

Description: **Shelby County – 0.31 +/- Acres – Lauderdale Street, Memphis, TN – Trans. No. 04-02-011 (BM)**

Purpose: Disposal in Fee to the City to allow closing off Lauderdale Street for security purposes.

Original Cost to State: \$4,365.00

Date of Original  
Conveyance: 1970

Grantor Unto State: Memphis Housing Authority

Estimated Sale  
Price: Fair Market Value

Estimated Value: \$25,000+

Grantee: City of Memphis

Comment: When I-40 was constructed, a portion of Winchester Road between Lauderdale Street and Third Street was included with the I-40 right-of-way. The subject property is surplus to the agency's needs.

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.

DEPARTMENT OF FINANCE AND ADMINISTRATION

LEASE AGREEMENT

Review of a request for APPROVAL of the following LEASE AMENDMENT for the rental of real property as required by TCA 12-2-115:

Location: **Davidson County – Parkway Towers Building, 404 James Robertson Parkway, Nashville, TN – Trans. No. 03-12-906 (EN)**

Purpose: To provide office and related space for the Department of Labor and Workforce Development's Labor Standards Division.

Term: April 1, 2004 thru January 31, 2007 (2 yrs., 10 Mos.)

Proposed Amount: 110,680 Square Feet  
 Avg. Ann. Contract Rent Incl.  
 Utility & Janitorial Cost: \$1,517,618.16 @\$13.71/sf  
 Total Annual Effective Cost: \$1,517,618.16 @\$13.71/sf

Current Amount: 109,960 Square Feet  
 Avg. Ann. Contract Rent Incl.  
 Utility & Janitorial Cost: \$1,507,823.40 @\$13.71/sf  
 Total Annual Effective Cost: \$1,507,823.40 @\$13.71/sf

Type: Lease Amendment No. 4 – 720 Additional Square Feet of Office Space

FRF Rate: \$18.00 Per Square Foot

Purchase Option: No – Multi-Tenant

Lessor: NNN Parkway Towers, LLC

SSC Report: 03-15-04. Referred to Sub-committee for consent agenda.